

## Message Text

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ACTION EB-11

INFO OCT-01 EUR-25 ADP-00 ARA-16 SS-15 NSC-10 TRSE-00

FRB-02 CIAE-00 INR-10 NSAE-00 RSC-01 L-03 RSR-01 /095 W

----- 047431

R 241940Z AUG 73

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 1602

C O N F I D E N T I A L OTTAWA 2031

E.O. 11652: GDS

TAGS: EAID, CI, IBRD, CA

SUBJECT: IBRD LOANS TO CHILE

REF: (A) STATE 147739; (B) STATE 152017; (C) OTTAWA 1883

1. AFTER BEING INFORMED THAT DOCUMENTATION ON PROPOSED IBRD LOANS TO CHILE FINALLY HAD BEEN RECEIVED (REF C), WE CONVEYED DEPT POSITION PER REFTELS A AND B TO EXTAFF AID AND DEVELOPMENT OFFICIAL. IN PRELIMINARY REACTION, EXTAFF AGREED WITH LOGIC OF US POSITION AND CITED NEED FOR SOME EVIDENCE CHILEAN COMMITMENT TO ECONOMIC REFORM BEFORE GRANTING FURTHER CREDITS OR DEBT RELIEF. OFFICIAL ALSO REFERRED, HOWEVER, TO PRACTICAL PROBLEM OF AVOIDING FURTHER CHILEAN DEFAULT AND "EMBARRASSMENT TO BANK" BUT STATED THAT INTERDEPARTMENTAL MEETING (EXTAFF, FINANCE, CIDA AND EXPORT DEVELOPMENT CORPORATION) WOULD BE HELD TO DETERMINE GOC POSITION ON MATTER.

2. WE WERE INFORMED BY EXTAFF AGUST 23 THAT ACCORDING CANADIAN EXECUTIVE DIRECTOR IBRD, CONSIDERATION OF CHILEAN LOANS BY BANK BOARD DELAYED INDEFINITELY AND THAT THERE THREFORE NO NEED FOR GOC TO TAKE POSITION ON MATTER.

3. EDC OFFICIAL TOLD US PRIVATELY THAT SENSE OF INTERDEPARTMENTAL MEETING WAS THAT GOC SHOULD SUPPORT EARLY CONSIDERATION CHILEAN LOAN REQUEST IF IT ONLY ALTERNATIVE TO FURTHER CHILEAN DEFAULT TO IBRD.

JOHNSON

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK LOANS, DEVELOPMENT LOANS, GOVERNMENT DEBTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 24 AUG 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** garlanwa  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973OTTAWA02031  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS JOHNSON  
**Errors:** N/A  
**Film Number:** n/a  
**From:** OTTAWA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19730817/aaaaameb.tel  
**Line Count:** 60  
**Locator:** TEXT ON-LINE  
**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) STATE 147739; (B) STATE 152017; (C) OTTAWA 1883  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** garlanwa  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 07 SEP 2001  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <07-Sep-2001 by elyme>; APPROVED <13-Nov-2001 by garlanwa>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** IBRD LOANS TO CHILE  
**TAGS:** EAID, CI, CA, IBRD  
**To:** n/a  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005